SECOND REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 700

92ND GENERAL ASSEMBLY

Reported from the Committee on Economic Development, Tourism and Local Government, February 24, 2004, with recommendation that the Senate Committee Substitute do pass.

2970S.03C TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 135.207, RSMo, and to enact in lieu thereof two new sections relating to enterprise zones.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 135.207, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 135.207 and 135.212, to read as follows:

- 135.207. 1. (1) Any city with a population of at least three hundred fifty thousand inhabitants which is located in more than one county and any city not within a county, which includes an existing state designated enterprise zone within the corporate limits of the city may each, upon approval of the local governing authority of the city and the director of the department of economic development, designate up to three satellite zones within its corporate limits. A prerequisite for the designation of a satellite zone shall be the approval by the director of a plan submitted by the local governing authority of the city describing how the satellite zone corresponds to the city's overall enterprise zone strategy.
- (2) Any Missouri community classified as a village whose borders lie adjacent to a city with a population in excess of three hundred fifty thousand inhabitants as described in subdivision (1) of this subsection, and which has within the corporate limits of the village a factory, mining operation, office, mill, plant or warehouse which has at least three thousand employees and has an investment in plant, machinery and equipment of at least two hundred million dollars may, upon securing approval of the director and the local governing authorities of the village and the adjacent city which contains an existing state-designated enterprise zone, designate one satellite zone to be located within the corporate limits of the village, such zone to be in addition to the six authorized in subdivision (1) of this subsection.
- (3) Any geographical area partially contained within any city not within a county and partially contained within any county of the first classification with a charter form of government with a population of nine hundred thousand or more inhabitants, which area is

comprised of a total population of at least four thousand inhabitants but not more than seventy-two thousand inhabitants, and which area consists of at least one fourth class city, and has within its boundaries a military reserve facility and a utility pumping station having a capacity of ten million cubic feet, may, upon securing approval of the director and the appropriate local governing authorities as provided for in section 135.210, be designated as a satellite zone, such zone to be in addition to the six authorized in subdivision (1) of this subsection.

- (4) In addition to all other satellite zones authorized in this section, any home rule city with more than seventy-three thousand but less than seventy-five thousand inhabitants, which includes an existing state-designated enterprise zone within the corporate limits of the city, may, upon approval of the local governing authority of the city and director of the department of economic development, designate a satellite zone within its corporate limits A prerequisite for the designation of a satellite zone pursuant to this subdivision shall be the approval by the director of the department of economic development of a plan submitted by the local governing authority of such city describing how the satellite zone corresponds to the city's overall enterprise zone strategy.
- (5) In addition to all other satellite zones authorized in this section, any home rule city with more than one hundred thirteen thousand two hundred but less than one hundred thirteen thousand three hundred inhabitants, which includes an existing state-designated enterprise zone within the corporate limits of the city, may, upon approval of the local governing authority of the city and director of the department of economic development, designate a satellite zone within its corporate limits along the southwest corner of any intersection of two United States interstate highways. A prerequisite for the designation of a satellite zone pursuant to this subdivision shall be the approval by the director of the department of economic development of a plan submitted by the local governing authority of such city describing how the satellite zone corresponds to the city's overall enterprise zone strategy.
- (6) In addition to all other satellite zones authorized in this section, any home rule city with more than one hundred fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred inhabitants which includes an existing state-designated enterprise zone within the corporate limits of the city may, upon approval of the governing authority of the city and the director of the department of economic development, designate one satellite zone within its corporate limits. No satellite zone shall be designated pursuant to this subdivision until the governing authority of the city submits a plan describing how the satellite zone corresponds to the city's overall enterprise zone strategy and the director approves the plan.
- (7) In addition to all other satellite zones authorized in this section, any city of the fourth classification with more than three thousand eight hundred but less

than four thousand inhabitants and located in more than one county and which city lies adjacent to any home rule city with more than one hundred thirteen thousand two hundred but less than one hundred thirteen thousand three hundred inhabitants and which contains an enterprise zone may, upon approval of the director and the governing authorities of the city of the fourth classification and the home rule city, designate one satellite zone within its corporate limits. The satellite enterprise zone authorized by this subsection shall be designated only if it meets the criteria established by subsection 2 of this section. Retail businesses, as identified by the 1997 North American Industry Classification System (NAICS) sector numbers 44 to 45, located within the satellite enterprise zone shall be eligible for all benefits provided pursuant to the provisions of sections 135.200 to 135.258.

- 2. For satellite zones designated pursuant to the provisions of subdivisions (1) and (3) of subsection 1 of this section, the satellite zones, in conjunction with the existing state-designated enterprise zone shall meet the following criteria:
- (1) The area is one of pervasive poverty, unemployment, and general distress, or one in which a large number of jobs have been lost, a large number of employers have closed, or in which a large percentage of available production capacity is idle. For the purpose of this subdivision, "large number of jobs" means one percent or more of the area's population according to the most recent decennial census, and "large number of employers" means over five;
- (2) At least fifty percent of the residents living in the area have incomes below eighty percent of the median income of all residents within the state of Missouri according to the last decennial census or other appropriate source as approved by the director;
- (3) The resident population of the existing state-designated enterprise zone and its satellite zones must be at least four thousand but not more than seventy-two thousand at the time of designation;
- (4) The level of unemployment of persons, according to the most recent data available from the division of employment security or from the United States Bureau of Census and approved by the director, within the area exceeds one and one-half times the average rate of unemployment for the state of Missouri over the previous twelve months, or the percentage of area residents employed on a full-time basis is less than sixty percent of the statewide percentage of residents employed on a full-time basis.
- 3. A qualified business located within a satellite zone shall be subject to the same eligibility criteria and can be eligible to receive the same benefits as a qualified facility in sections 135.200 to [135.255] 135.258.
- 135.212. In addition to any other enterprise zones authorized in this chapter, the department of economic development shall designate one enterprise zone in

any county of the third classification without a township form of government and with more than thirty-two thousand five hundred but less than thirty-two thousand six hundred inhabitants. Such enterprise zone designations shall have the same boundaries as such county, and shall only be made if the area to be included in the enterprise zone meets all the requirements of section 135.205.

T

Unofficial

Bill

Copy